

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

ADDITION OF EVERY DOOR DIRECT MAIL –
RETAIL TO THE PRODUCT LIST

Docket No. MC2012-31

UNITED STATES POSTAL SERVICE NOTICE OF ERRATA TO REQUEST OF THE
UNITED STATES POSTAL SERVICE TO ADD EVERY DOOR DIRECT MAIL –
RETAIL TO THE MAIL CLASSIFICATION SCHEDULE
(July 18, 2012)

The United States Postal Service hereby provides notice of errata to the Request of the United States Postal Service to Add Every Door Direct Mail – Retail to the Mail Classification Schedule. On page 13 of Attachment B to the Request, in the second paragraph, the Postal Service incorrectly states that “EDDM-R markings will be added to Postal Service data systems in Quarter 3 of this fiscal year.” The sentence should state that “EDDM-R will be tracked separately in Postal Service data systems starting in Quarter 1 of FY13,” as shown in the corrected page that follows.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Pricing and Product Support

Brandy A. Osimokun
David H. Rubin

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2986, Fax -6187
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With the introduction of new workloads, specifically EDDM-R or traditional saturation and high-density, additional sequence sets could impact daily carrier operations by increasing the number of bundles, on any given day of the week, for a specific carrier route. Depending on the type of carrier route, and number of sequence sets, additional handling of EDDM-R or other saturation mailings may result in deferrals, of one or the other mailing, in an effort to manage workload and contain costs. This impact is greatest on foot and park-and-loop type routes, which comprise 32 million out of the 80 million residential deliveries. Ultimately, the impact of EDDM-R on delivery will depend on the level of usage of the new product, similar to other new products requiring additional handling.

If EDDM-R is approved as a permanent product, it will be quantified in the normal course of product costing. EDDM-R will be tracked separately in Postal Service data systems starting in Quarter 1 of FY13. These systems will be able to report on EDDM-R assuming the mail is properly marked and there is considerable volume separate from other High Density and Saturation flats for reliable costing.

The cost of ongoing advertising is not expected to have much of an incremental impact on the costs attributed to EDDM-R. However, there have been several advertising campaigns, including promotional materials, in FY 11 and FY 12, for the Every Door Direct Mail concept. The cost of the advertising is split according the relative volume in each channel. For FY 11, 7.5 percent of volume was EDDM-R, and for FY12YTD, 18.9 percent of volume was EDDM-R. Accordingly, the total EDDM-R advertising forecasted for FY 12 is \$4,432,357 (using that 18.9 percent figure), and the estimate for FY 13 (assuming the FY12 percentage applies) is \$2,268,000.